



**Daycos, Inc.**  
**Annual Benefit Corporation Report 2019**

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Dear Stakeholders,

2019 is the third year of our Daycos4Good efforts. As we reflect on the impact of the last three years, we are noticing some interesting outcomes that are above and beyond the stakeholder investments in this report.

Because we are using our company as a force for good, we are seeing positive impacts in areas of workforce attraction and retention and employee satisfaction, growth, and community engagement. While these are not the reason we do the stakeholder-focused work we do, they are a positive indication that we are on the right track with these efforts.

- We have a *hiring list of over 200 people* who have said they want to notifications about openings at Daycos. We average 95 applicants for each open position and just recently *set a new record of 143 applicants in our most recent opening*. Our turnover rate is three percent, with many employees' longevity in the double-digits.
- We also have happier employees, as evidenced by the increase in *employee satisfaction* at Daycos *from 71% in 2017 to 92% in August 2019*, which coincides with our increased focus on doing good. We specifically ask employees about the efforts to do good, and it is clear that people are happier here because of this work.
- We also see *employees growing personally and professionally* and being more *engaged in the community*. Daycos employees' participation on local boards and organizations has increased, and they are showing more leadership and initiative in their work.

While these short-term impacts are significant, we are most excited about the long-term possibilities. When people have opportunities to participate in something like this in a real, hands-on way, they more deeply understand and internalize the power of giving back and engaging in their community, and they model and share that behavior with others.

This Annual Benefit Report is a snapshot of our “do good be good” efforts in 2019. We continue to be inspired by the good work being done and want to thank everyone for their continued dedication to Daycos4Good. Your enthusiasm and commitment continue to energize and inspire us. Thank you!



Brandon Day  
Owner & CEO



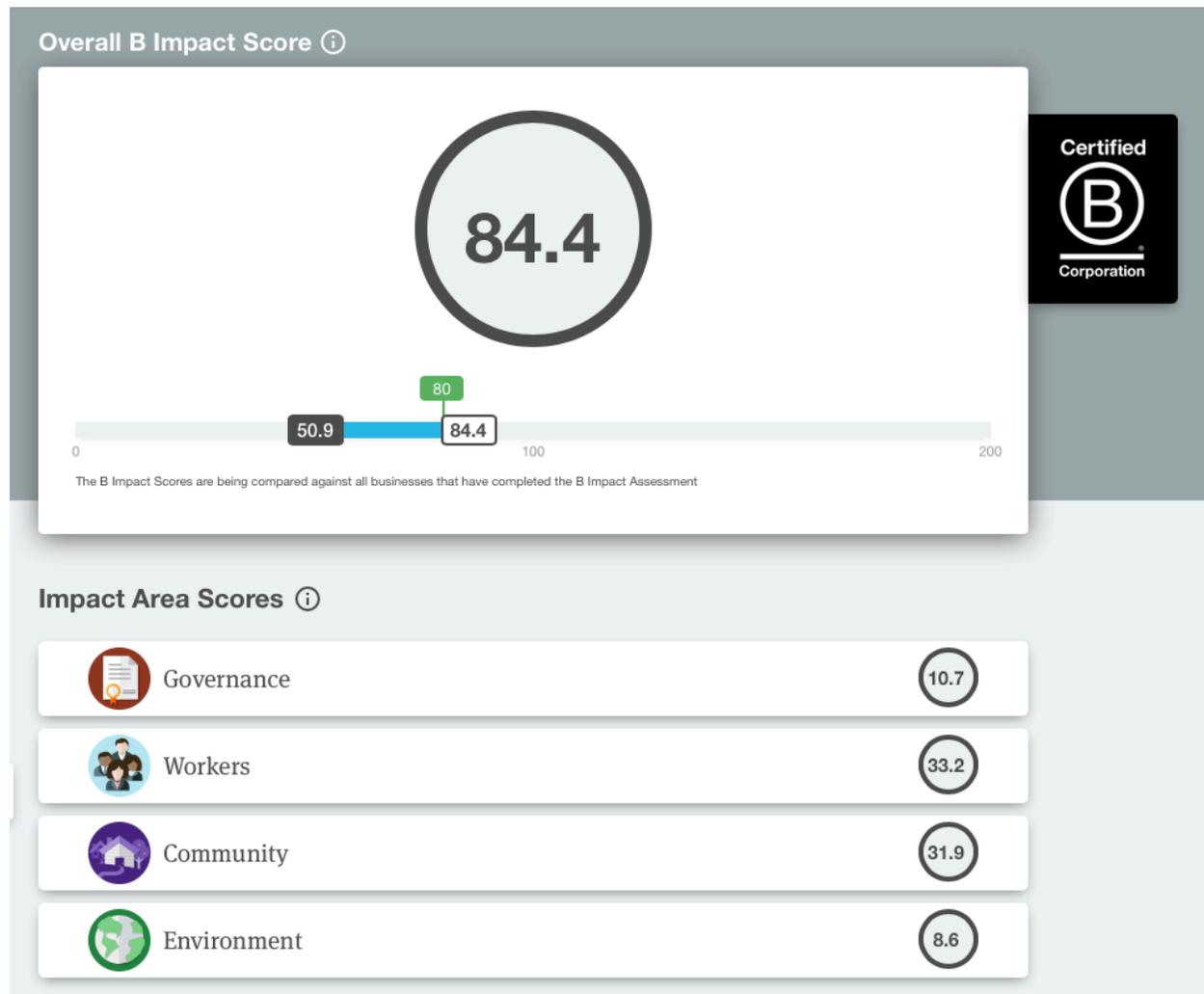
Tammy Day  
Owner and Benefit Officer

## B Corp Certification

Daycos became a certified B Corp in 2016. A “B Corp” is a for-profit company that is certified by the nonprofit B Lab to meet rigorous standards of social and environmental performance, accountability, and transparency. It is a designation that says our company is about more than making money; it is about being a force for good in the world.

To become a B Corp, companies complete an assessment that measures them in categories of governance, workers, community, and environment and provides an overall score indicating the company has practices and procedures in place to support the B Corp standards.

Daycos initially scored an 84.4, exceeding the 80-point requirement. Daycos completed the reassessment process during the fall of 2019 and will receive official recertification in spring 2020. While the assessment process was revamped from our original certification, early indications are that we will be recertified and that our score has gone up.



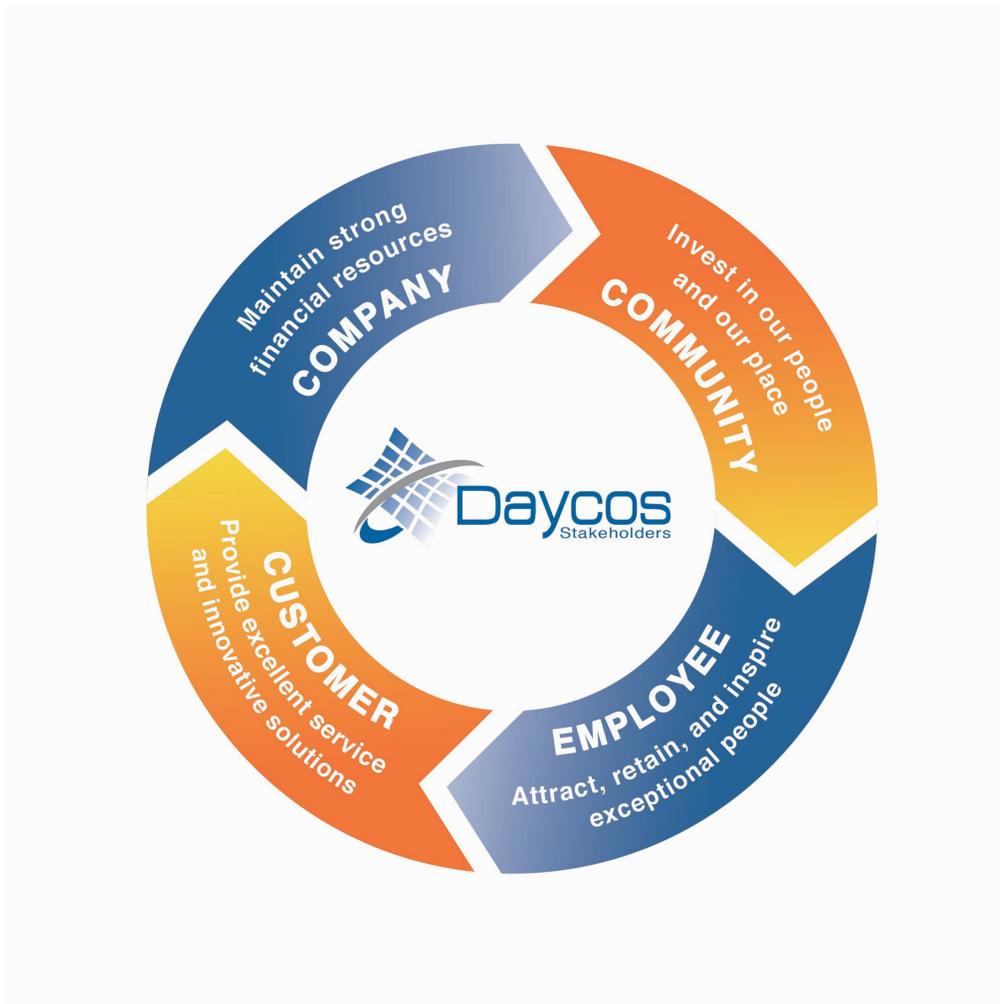
## B Lab Third Party Assessment

Benefit Corporations in Nebraska are required to assess their impact by a third-party standard and report this information in their Annual Benefit Report. Daycos used B Lab, a nonprofit with a recognized certification process for companies using their business as a force for good.

## 2019 Benefit Performance for all Stakeholders

The work of Daycos benefits its stakeholders, not just its shareholders. These stakeholders are interdependent and share equal importance in the system – the better we do at creating and sustaining great services and relationships with our customers, the more revenue that is generated to be invested in our employees and our community. Better business equals more investments in people. More investments in people and the community result in better business.

Therefore, our Annual Report continues to focus on how our benefit corporation status propels us to invest in our stakeholders and create a public benefit through those efforts.



## Community Impacts 2019

Our community is the setting for our business and the place where we live, work, and raise our families. As an integral part of this community, we believe we have a responsibility to help to ensure a bright future for this place. In 2019:



- Daycos hosted its second **Bike Build** event, assembling 53 bicycles. Six other local businesses joined us for this year's event. We distributed bicycles to youth through the Norfolk Rescue Mission, Salvation Army, Bright Horizons, The Zone, and Pierce Elementary School.
  
- The **Daycos4Good Endowment** grew to **\$101,361.65** through ongoing contributions of a small percentage of revenue each month.
  
- The Daycos Community Investment Committee invested **\$22,783.43** in 24 community projects:
  - *An Easter Eggs-perience with the Arc*
  - *Garden Bed at Kings Kids Childcare & Preschool*
  - *Flexible Seating for Norfolk Catholic 3<sup>rd</sup> Grade*
  - *Arbor Day/Community Clean Up at Trinity Lutheran School*
  - *Smart Start with Trinity Lutheran School*
  - *Keeping Up With the Kindergartners at Bel Air Elementary*
  - *Mentoring at The Zone*
  - *Flexible Seating in the Life Room at Norfolk High*
  - *Bloom Your Own Way with The Zone*
  - *Adopt-A-Vet with Norfolk JOI Club*
  - *Celebrating All Moms with CASA*
  - *Know, Grow, Show with Norfolk FFA*
  - *Project Homeless Connect of Norfolk*
  - *Playground Equipment Replacement for an Eagle Scout Project*
  - *Grant Elementary School Projector and Screen Challenge*
  - *Women's Empowering Lifeline Changing Tables*
  - *Girls With Goals with the Norfolk Football Club*
  - *Warming Those Who Served with Trinity Lutheran School*
  - *Musical Chairs Challenge Grant with Norfolk Catholic Music Boosters*



- *Norfolk Area Youth Summit Second Year*
- *Orphan Grain Train Giving Tuesday*

- Charitable sponsorships, memberships, and campaign pledges totaled **\$51,104.66** this year.
- Daycos4Good launched the **Youth Make a Difference Grants** for youth who want to apply for funds to support an effort in their communities. The first round of funding supported six youth projects.



- Daycos also contributes to the community through our employee charitable matching program, Toys for Tots drive, volunteering at the Veterans Home, Norfolk Food Pantry Souper Bowl, hosting bi-monthly blood drives for the local Red Cross, partnering with Jefferson Elementary School, hosting a coding club at the Norfolk Middle School, and bringing third graders to our company for Hour of Code.

- Daycos hosted a **Giving Station** for the **Norfolk Area Big Give** and spent the day collecting donations for area nonprofits and delivering Food-O-Grams to raise money for nonprofits during this 24-hour day of giving.



- Daycos completed a second round of purchasing books for and reading to preschool students in conjunction with Read Aloud Norfolk.



## Employee Impacts 2019

Investments in the personal and professional lives of our employees, their work environment, and their families have a direct impact on employees' lives and demonstrate that they are valued members of this company and community. In 2019:

- Daycos continued its company-wide employee **personal development initiative**, which asked all Daycos employees, "How do you want to invest in yourself?" In addition, Daycos announced new professional development opportunities for 2020.
- The Employee Investment Committee spent the year making **investments in employees and their families** above and beyond standard benefits totaling **\$18,980.86**.
- The Wellness Committee invested \$16,807.86 in wellness bonuses and \$13,329.72 in other wellness activities.
- Daycos provided charitable matches for **\$4,209** of employee donations to nonprofits, up from \$3,053.50 in 2018.
- Employee investments this year included:
  - Finishing the purchase of **standing desks** and mats for all interested employees.
  - Stocking the break room with art supplies.
  - Adding an **outdoor glider** to the back patio area of the office.
  - Offering Smart Dollar for employee financial health.
  - Purchasing Rocketbooks for interested employees.
  - Implementing an **emergency loan program** for employees through a local bank.
  - Continuing promotion and support of previous investment initiatives, such as the 529 College Savings Plans, increased parental leave, bereavement benefits, and updating or creating estate plans.
- Daycos employees continue to have fun participating in team-building and family events such as our family holiday party, a bowling outing, city-wide scavenger hunt, picnic in the park, and Halloween Costume Contest.
- Daycos continued to offer extensive wellness benefits adding an AED machine, blender, wok, All-In-One Functional Training System, and Wellness Challenges to the list.



## Company Impacts 2019

Our company stakeholder is the umbrella under which all work and investments occur. Keeping the company healthy creates a vehicle for us to be a force for good. In 2019 Daycos:

- Completed the B Corp re-certification process.
- Participated in a panel about businesses doing good at the first annual **Do More Good** conference in Lincoln, spreading the word about Daycos' employee-driven do-good work.
- Created a Communications Framework to facilitate the advancement of Daycos4Good and our efforts to inspire other businesses to do good and be good.
- Modified our hiring practices to focus on identifying candidates attracted to our do good be good mission and who are a good cultural fit.



## Customer Impacts 2019

Customers are the reason we exist in the first place. Customers provide the fuel that allows the investments in the other stakeholders. In 2019 Daycos:

- Supported various charitable efforts of our customers and the industry, such as being a sponsor for the American Moving and Storage Association (AMSA) Bike Build project at the AMSA annual meeting. Teams come together during the afternoon to race to see who can build a bike the fastest. Then that night, at the annual dinner, the bicycles are presented to the local Boys and Girls Club on stage.
- Shared Daycos stories with our customers of being a force for good through our community and employee investments.



## Where do we go from here?

***Daycos is a transportation revenue solutions company that exists to do good and be good by investing in our employees, community, and customers.***

At Daycos, we believe that business is about more than just providing services and making money; it's about making a difference. It is essential to support the quality of life of our employees, to give back to our community and to be a good community partner, and to invest in people. We believe that we all have a responsibility and a desire to contribute to something bigger than ourselves.

Daycos employees are directly connected to the efforts to do good and be good because they are the ones making the decisions and doing the work. This connection creates greater engagement in the business and the community and has led to some promising short-term outcomes.

We hope employees will share their experiences with their children, grandchildren, neighbors, and friends who will then see that they can also make a difference and will find ways to give back.

In 2020, we will continue to explore and develop our employee-driven approach to doing good. Because our efforts at Daycos give more people a chance to be involved in doing good, we believe this work will continue to make a lasting impact both in and outside the company.

We will continue to develop impactful ways of engaging all stakeholders and work to share our message of how to create an attractive, purpose-driven workplace with businesses across the state.

With gratitude!



Tammy Day  
Owner and Benefit Officer

## **Overview of Daycos4Good**

Daycos exists to do good and be good. Daycos4Good demonstrates the way we live that every day in our company. We believe this dynamic and impactful way of doing business is the right way to use a private asset, in this case, a privately-owned business, to make a difference in the world. Daycos4Good (D4G) is an employee-driven program focused on the idea that Daycos can be a force for good. The “4” in D4G symbolizes our four stakeholders: employees, customers, the community, and the business itself. We make decisions based on the long-term impact on those four stakeholders, instead of our company shareholders.

When considering a new service, community investment, employee benefit, or change in a system or process, we ask ourselves how this will impact the shareholders in this system. We ask ourselves a series of questions each time to ensure we are considering the impact on all because stakeholders drive our decision-making and they all have equal value.

- Is it good for the company?
- Is it good for our customers?
- Is it good for our employees?
- Is it good for our community?

If the answer to any of these questions is no, then the decision is either modified so it doesn't harm the stakeholder in question, or it is discarded entirely. We do not make decisions that sacrifice one stakeholder for the sake of the others. All four stakeholders are integral to the overall success of Daycos.

The “Good” in Daycos4Good represents our intention to make Daycos a force for good in the world. We know we can do amazing things through our Daycos4Good efforts. Our stakeholders come first and, not only help us to be a force for good but are the reason we are in business in the first place.

## Daycos Corporate Philosophy

We have a choice in how we do business in the world, and we have chosen to be a force for good. We know that business is about more than just providing services and making money; it's about making a difference. It is essential to support the quality of life of our employees and our community, to give back to our community, to be a good community partner, and to invest in people. We have a responsibility and a desire to contribute to something bigger than ourselves. It keeps us focused on the big picture and things that matter. It is the right thing to do.

Through the work we do at Daycos, we can provide a service to our customers, create an excellent place for people to work, and be a good community partner through charitable giving. We believe it is vital that the work of Daycos benefits its stakeholders - our company, our customers, our employees, and our community - not just its shareholders.

**Company:** The company is the overall umbrella under which all the work and investments in people occur. Keeping the company healthy creates a vehicle for us to be a force for good.

**Customers:** Customers are the reason we exist in the first place. Customers provide the fuel that allows the investments in the other stakeholders. As the business grows and becomes more profitable, investments in other stakeholders can increase.

**Employees:** Investments in the personal and professional lives of our employees, their work environment, and their families have a direct impact on people's lives and demonstrate that they are valued members of this company and community.

**Community:** Our community is the setting for our business and the place where we live, work, and raise our families. As an integral part of this community, we believe that we have a responsibility to help to ensure a bright future for this place.

These stakeholders are interdependent and share equal importance in the system – the better we do at creating and sustaining great services and relationships with our customers, the more revenue we generate, the more we can invest in our employees and our community. Better business equals more investments in people. More investments in people and the community result in better business.

Decision-making, planning and asset allocation are based on these four questions:

- Is it good for the company?
- Is it good for our customers?
- Is it good for our employees?
- Is it good for the community?

Daycos core values are relevant in decision making surrounding stakeholder investments:

- Be better tomorrow than we are today;

- Fix the problem, be the solution;
- Build relationships for the long-term
- Make this a great place to work;
- Give back; it's what we do